

106TH CONGRESS
1ST SESSION

H. R. 3374

To strengthen the special examination authority of the Federal Deposit Insurance Corporation in order to protect the Bank Insurance Fund and the Savings Association Insurance Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 1999

Mr. LEACH introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To strengthen the special examination authority of the Federal Deposit Insurance Corporation in order to protect the Bank Insurance Fund and the Savings Association Insurance Fund, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Deposit Insur-
5 ance Corporation Examination Enhancement and Insur-
6 ance Fund Protection Act”.

1 **SEC. 2. STRENGTHENING OF FDIC BACKUP AUTHORITY.**

2 (a) SPECIAL EXAMINATIONS OF INSURED DEPOSI-
3 TORY INSTITUTIONS.—Section 10(b)(3) of the Federal
4 Deposit Insurance Act (12 U.S.C. 1820(b)(3)) is
5 amended—

6 (1) by striking “DEPOSITORY INSTITUTION.—In
7 addition to the examinations” and inserting “DEPOS-
8 ITORY INSTITUTION.—

9 “(A) IN GENERAL.—In addition to the ex-
10 aminations”;

11 (2) by striking “Board of Directors” and in-
12 serting “Chairperson of the Board of Directors”;
13 and

14 (3) by adding at the end the following new sub-
15 paragraphs:

16 “(B) COORDINATION AND MINIMIZATION
17 OF DISRUPTION.—In exercising any authority
18 under subparagraph (A) with respect to any in-
19 sured depository institution, all reasonable ef-
20 forts shall be made to—

21 “(i) coordinate with any other appro-
22 priate Federal banking agency or State
23 bank supervisor with respect to such de-
24 pository institution; and

1 “(ii) minimize any disruptive effect of
2 an examination on the operation of the de-
3 pository institution.

4 “(C) NOTICE TO OTHER MEMBERS OF THE
5 BOARD OF DIRECTORS AND THE APPROPRIATE
6 BANKING AGENCY OR SUPERVISOR.—The Chair-
7 person of the Board of Directors shall promptly
8 notify each other member of the Board of Di-
9 rectors, the Chairman of the Board of Gov-
10 ernors of the Federal Reserve System (in the
11 case of a State member bank), and the appro-
12 priate State bank supervisor (in the case of a
13 State depository institution) whenever a deci-
14 sion is made to conduct a special examination
15 of an insured depository institution under sub-
16 paragraph (A).”.

17 (b) AMENDMENT RELATING TO INFORMATION RE-
18 QUIRED TO BE SHARED WITH THE FDIC UNDER EXIST-
19 ING LAW.—The 1st sentence of section 7(a)(2)(A) of the
20 Federal Deposit Insurance Act (12 U.S.C. 1817(a)(2)(A))
21 is amended by inserting “, in as prompt a manner as is
22 practicable,” after “shall have access”.

23 (c) PROCEDURES REQUIRED FOR SHARING OTHER
24 INFORMATION NEEDED FOR INSURANCES PURPOSES.—
25 Section 7(a)(2) of the Federal Deposit Insurance Act (12

1 U.S.C. 1817(a)(2)) is amended by adding at the end the
2 following new subparagraph:

3 “(C) ADDITIONAL INFORMATION.—The
4 Federal banking agencies shall establish proce-
5 dures for providing the Corporation with access
6 to such additional information as may be need-
7 ed by the Corporation for insurance purposes.”.

8 (d) TECHNICAL CORRECTION.—Section 7(a)(2) of
9 the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(2))
10 is amended by striking “(2)(A) The Corporation and,”
11 and inserting “(2) ACCESS TO REPORTS AND INFORMA-
12 TION.—

13 “(A) IN GENERAL.— The Corporation
14 and,”.

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